

Columbian

Columbian Home Products, LLC.

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November 13, 2001

To: Whom It May Concern

Re: Columbian Home Products
Japanese Import Steel Tariff Exemption

My name is Dick McKain and I have been employed in this facility since 1964 in various purchasing and supervisory positions. I am currently Press Room Supervisor and Steel Buyer. In 1996 I was assigned the responsibility of purchasing steel for our stamping operations and negotiating with suppliers on the production of steel to meet our process specifications. **In 1999 Wheeling-Pittsburgh Steel Company gave us termination notice and in 2000 discontinued supplying us with steel.** They said our specification was too tight for general processing and they were no longer willing to make the products we needed. They had been a steel supplier for this business for 20 + years preceding their decision to quit. LTV then became our primary domestic supplier.

Last year LTV was purchased by US Steel and in the past two months we have met increasing resistance by US Steel to supply us with steel meeting our specifications. Glenn Smith, **the US Steel/LTV salesperson informed me in October 2001 our steel specifications were too tight and US Steel/LTV was no longer going to produce steel for us.** When I asked him to put it in writing, he came back and said they had reconsidered and would provide the steel. However, we needed to be very clear on our specifications. We provided him with another copy of the modified ASTM-A619 cold-rolled steel specifications and the modified ASTM-A625 single reduced black plate steel specification. We also verified the specification was clear enough for him to understand. This seemed to satisfy Glenn and his technical support group said they would work with us..

On November 13, 2001 Glenn Smith, US Steel/LTV salesperson, contacted me to tell me Columbian Home Products needed to order larger quantities of steel in order for US Steel/LTV to have sufficient demand to make the steel specification we needed for our business. With a 4 month (120 + days) lead time in a cyclical business, we had already ordered all we needed for the next several months. Again, I asked him to put the request in writing and have not received a response at the time of this letter.

As the Press Room Supervisor, I am qualified to say that the **Marubeni-supplied Japanese NKK steel has been the best performing steel for our business. Additionally, NKK is the only company capable of supplying us with 49.5 inch wide steel. Domestic suppliers have stated they cannot provide this metal.** NKK has been the most superior in consistent quality for formability and yield. They have also been the most reliable supplier of single-reduced Black Plate .0141 inches thickness and less and of Cold-rolled drawing quality steel .0142 inches thickness and more. I don't purchase all of our steel from NKK because the 6 month lead time does not give me as much flexibility as I need to manage the business. The

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Japanese steel is also not the lowest in price. I purchase from **Marubeni-Itochu** because they consistently supply the best product value to support our business needs. They **supply what I ask for, when I need it, and are willing to provide the service we need to be successful in a very challenging market.** As the last remaining enameled steel cookware manufacturer in the United States, we face stiff foreign competition, and the raw materials I purchase must ensure we are able to meet our customers delivery deadlines.

I continue to work to purchase steel from US domestic producers whenever feasible. Certain steel specifications are purchased from the distributor, Mapes and Sprowl, because they are able to supply the smaller quantities of decarbonized steel we require. Because Mapes and Sprowl is a distributor, their prices are generally higher and that increases our costs. **Since quality, yield, and performance are the most important criteria for our business, Marubeni-Itochu continues to be our highest rated steel supplier.**

In order to produce our products we must have steel that meets the modified ASTM specifications we publish. If we are not able to continue to purchase steel from Marubeni-Itochu without price penalties, I will not be able to operate my department at a low enough cost level sufficient to save the 150 + jobs at this facility.

Please grant the exemption requested.

Sincerely,

(signed)

Dick McKain
Press Room Supervisor/Steel Buyer
Columbian Home Products
812-238-5028